

**PILLSBURY WINTHROP SHAW PITTMAN LLP**

Leo T. Crowley (LC-1311)

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*Attorneys for Misys IQ LLC and  
Summit Systems, Inc.*

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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**In re** : **Chapter 11**  
**LEHMAN BROTHERS HOLDINGS INC., et al.,** : **Case No. 08-13555 (JMP)**  
**Debtors.** : **(Jointly Administered)**  
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**AMENDED OBJECTION OF MISYS IQ LLC AND  
SUMMIT SYSTEMS, INC. TO DEBTORS' NOTICE OF  
ASSUMPTION AND ASSIGNMENT OF, AND AMOUNTS  
NECESSARY TO CURE DEFAULTS UNDER, CONTRACTS AND  
LEASES TO BE ASSUMED AND ASSIGNED TO SUCCESSFUL PURCHASER**

Misys IQ LLC (“Misys”) and Summit Systems, Inc. (“Summit”) respectfully submit this Amended Limited Objection to the Notice of Assumption of, and Amounts Necessary to Cure Defaults Under Contracts and Leases to be Assumed and Assigned to Successful Bidder (the “Cure Notice”) posted online by the above-captioned debtors and debtors-in-possession (collectively, the “Debtors”) on September 19, 2008, with respect to certain executory contracts with Misys and Summit. In support of this Objection, Misys and Summit respectfully state as follows:

## **BACKGROUND**

1. On September 15, and September 27, 2008, respectively (the “Petition Dates”), Lehman Brothers Holdings Inc. (“LBHI”) and LB 745 LLC (“LB 745” and, collectively with LBHI, the “Debtors”) filed petitions for relief under Chapter 11, Title 11 of the United States Code, 11 U.S.C. §§ 101 *et seq.* (the “Bankruptcy Code”) with the United States Bankruptcy Court for the Southern District of New York. The Debtors continue to manage and operate their businesses as debtors-in-possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

2. On September 17, 2008, the Debtors filed a motion with the Bankruptcy Court seeking, *inter alia*, an order approving a sale (the “Sale”) of certain assets of LBHI and Lehman Brothers Inc. (“LBI”) to Barclays Capital Inc. (the “Purchaser”), which assets included certain contracts designated for assumption and assignment at the closing of the Sale (the “Closing Date Contracts”).

3. On September 19, 2008, a proceeding began under the Securities Investor Protection Act of 1970 with respect to LBI, a wholly-owned subsidiary of LBHI, in the District Court for the Southern District of New York, which was then transferred to this Court.

4. On September 19, 2008, the Debtors filed their Cure Notice which listed each of the contracts that the Debtors proposed to assume and assign to the Purchaser in connection with the Sale.

5. On September 19, 2008, Misys and Summit filed their Limited Objection to the Debtors’ Cure Notice (ECF Doc. 199).

6. On September 19, 2008, this Court entered its Order Under 11. U.S.C §§ 105(a), 363, and 365 and Federal Rules of Bankruptcy Procedure 2002, 6004 and 6006 Authorizing and

Approving (A) The Sale of Purchased Assets Free and Clear of Liens and Other Interests and (B) Assumption and Assignment of Executory Contracts and Unexpired Leases (the “Sale Order”).<sup>1</sup> Paragraph T of the Sale Order provides that any party to a Closing Date Contract that objects to the Debtors’ Cure Notice or Cure Amount may file an objection to such Cure Notice or Cure Amount by October 3, 2008.

7. On October 1, 2008, the Debtors filed their Notice of Revisions to Schedules of Certain Contracts Assumed and Assigned to Purchaser (ECF Doc. 504) (the “Revised Cure Notice”).

8. After the entry of the Sale Order, Misys and Summit reviewed their books and records and discovered additional amounts that should be included as proper Cure Amounts due under certain contracts with Misys and Summit. As a result, Misys and Summit file this Amended Objection to the Debtors’ Revised Cure Notice and proposed Cure Amounts.

### **THE MISYS AND SUMMIT CONTRACTS**

9. Misys currently licenses a software product called “Loan IQ” (the “Loan IQ Licensed Product”) to Lehman Brothers Holdings Inc. (“LBHI”) pursuant to a certain Software License and Services Agreement dated October 15, 1999 (the “Master License Agreement”), together with (i) Licensed Product Orders LP-001, LP-002, LP-003, LPO-004, LPO 2007-A, and LPO 2007-B; (ii) License Schedule No. 1; (iii) License Schedule No. 2; and (iv) License Schedule No. 3 (collectively, the “Loan IQ License Agreements”). In addition to the license of the Loan IQ Licensed Product, Misys also provides certain services to LBHI and certain of its non-debtor affiliates such as installation and technical support with respect to the Loan IQ Licensed Product.

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<sup>1</sup> All capitalized terms not otherwise defined herein shall have the meaning ascribed to such terms in the Sale Order.

10. Summit licenses a separate software product to Lehman Brothers Inc. (“LBI”), a non-debtor entity, called “Summit Systems” (the “Summit Licensed Product”) pursuant to a certain Consulting and License Agreement dated March 31, 1992 (the “Summit License Agreement”), together with (i) a Letter Agreement dated March 13, 2002; and (ii) Amendment No. 1 to Consulting and License Agreement dated August 20, 2008, between Lehman Brothers Inc. and Summit (collectively, the “Summit License Agreements”).

**OBJECTION TO IDENTIFICATION OF CONTRACTS**

11. In the Cure Notice posted online on September 19, 2008, the Debtors appear to indicate that the Loan IQ License Agreements are among the Closing Date Contracts to be assumed and assigned to the Purchaser on the Closing Date. However, the Cure Notice does not describe any of the Loan IQ License Agreements with specificity. Rather, the Cure Notice provides only that the “Master Agreement” and several generic “Amendment/Addendum/Schedule” or “TBD” contracts will be assumed. Thus, it is unclear if the Debtors intend to assume each of the Licensed Product Orders and the Schedules that comprise the Loan IQ License Agreements. This problem was not addressed in the Debtors’ Revised Cure Notice filed on October 1, 2008.

12. In addition, the Cure Notice was even more unclear with respect to the Summit License Agreements. The first part of the Cure Notice identifies each assumed vendor name in alphabetical order. Summit was not on that list. However, Summit was listed on Exhibit A to the Cure Notice which sets forth the Debtors’ proposed Cure Amounts with respect to each assumed contract. In the Debtors’ Revised Cure Notice filed on October 1, 2008, the Debtors properly identified Summit as a vendor whose contract could be considered a Closing Day Contract. The Revised Cure Notice, however, did not identify the particular Summit License

Agreement to be assumed. Rather, there is a blank in the column labeled “Vendor Contract Name.” Accordingly, it is not clear which of the Summit License Agreements have been assumed.

13. Misys and Summit do not object in concept to the assumption and assignment of the Loan IQ License Agreements or the Summit License Agreements that appear to be included among the Closing Date Contracts to the Purchaser. Misys and Summit do, however, object to the ambiguity with which the Debtors have identified the Loan IQ License Agreements and the Summit License Agreements to be assumed.

14. The Loan IQ License Agreements and the Summit License Agreements to be included among the Closing Date Contracts need to be identified with more specificity so that Misys, Summit, the Debtors and the Purchaser have a clear and consistent understanding of which contracts are being assumed and assigned in this instance.

#### **OBJECTION TO PROPOSED CURE AMOUNTS**

15. Misys and Summit object to the Cure Amounts proposed by the Debtors with respect to both the Loan IQ License Agreements and the Summit License Agreements. Both the Cure Notice and the Revised Cure Notice provide that the Cure Amount for the Loan IQ License Agreements is \$0. Similarly, both the Cure Notice and Revised Cure Notice provide that the Cure Amount for the Summit License Agreements is \$0.

16. Based upon an initial review of Misys’ books and records, Misys currently believes that the Debtors are obligated to pay not less than \$453,377.62 in order to cure existing payment defaults on the Loan IQ License Agreements (the “Corrected Loan IQ Cure Amount”).

17. Based upon an initial review of Summit’s books and records, Summit currently believes that the Debtors are obligated to pay not less than and \$596,712.50 in order to cure

existing payment defaults on the Summit License Agreements (the “Corrected Summit Cure Amount”).<sup>2</sup>

18. Attached hereto as Exhibit A is a spreadsheet summarizing the amounts due and owing under the Loan IQ License Agreements and Summit License Agreements together with supporting invoices.

19. Before the Debtors can assume any contract it must either “cure” such contract, or provide “adequate assurance” of such cure under section 365 of the Bankruptcy Code. The Debtors’ proposed Cure Amount of \$0 for both the Loan IQ License Agreements and the Summit License Agreements does neither. Accordingly, pursuant to paragraph T of the Sale Order, Misys and Summit object to the Debtors’ proposed Cure Amounts, request that the Court require the Debtors to identify the Loan IQ License Agreements and the Summit License Agreements with greater specificity, and request that the Court require the Debtors to pay the Corrected Loan IQ Cure Amount and the Corrected Summit Cure Amount.

### **NOTICE**

20. In accordance with the Debtors’ Procedures for Resolving Cure Amounts for Closing Date Contracts dated September 26, 2008, copies of this Objection have been served on the following parties: (i) attorneys for Lehman Brothers Holdings, Inc. and LB745 LLC, Weil, Gotshal & Manges LLP, 767 Fifth Avenue, New York, NY 10153-0119 (Attn: Lori R. Fife and Shai Y. Waisman); (ii) attorneys for the SIPC Trustee, Hughes Hubbard & Reed LLP, One Battery Park Plaza New York, NY 10004 (Attn: Jeffery S. Margolin); and (iii) attorneys for the Purchaser, Cleary Gottlieb Steen & Hamilton LLP, One Liberty Plaza, New York NY 10006

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<sup>2</sup> Misys and Summit reserve all rights to amend or supplement the Corrected Loan IQ Cure Amount and the Corrected Summit Cure Amount.

(Attn: Lindsee P. Granfield and Lisa M. Schweitzer). In light of the nature of the relief requested herein, Misys and Summit submit that no other or further notice is required.

WHEREFORE, Misys and Summit respectfully request that the Court (i) enter an order requiring the Debtors to identify the Loan IQ License Agreements and the Summit License Agreements to be included in the Closing Date Contracts with greater specificity; (ii) directing payment in full of the Corrected Loan IQ Cure Amount and the Corrected Summit Cure Amount to Misys and/or Summit on the Closing Date; and (iii) grant Misys and Summit such other and further relief as this Court may deem just and proper.

Dated: October 2, 2008  
New York, New York

By: /s/ Erica Carrig  
Leo T. Crowley (LC-1311)  
Erica Carrig (EC-2096)  
**PILLSBURY WINTHROP SHAW PITTMAN LLP**  
1540 Broadway  
New York, NY 10036-4039  
Phone: 212-858-1000  
Facsimile: 212-858-1500  
Attorneys for Misys IQ LLC and Summit Systems, Inc.

# Exhibit A.

**Misys**

**Lehman Brothers - Current outstanding payments**

Date	Inv #	Initial License Fee	Recurring License Fee	Professional Services	Amounts in US\$	
					Net Charges	Gross
<b>LBH - Invoices Outstanding For Loan 1Q</b>						
28-Feb-08	IQ00537			12,000.00	-	12,000.00
31-May-08	L00803		263,219.00		18,425.00	281,644.00
5-Jun-08	US2000027	75,000.00			5,250.00	80,250.00
30-Jun-08	US2000028			19,312.50	-	19,312.50
30-Jun-08	US2000044		4,716.00		330.12	5,046.12
31-Jul-08	US2000066			6,000.00	-	6,000.00
31-Jul-08	US2000054			9,125.00	-	9,125.00
30-Sep-08	US2000089					40,000.00
		<b>75,000.00</b>	<b>267,935.00</b>	<b>46,437.50</b>	<b>24,005.12</b>	<b>453,377.62</b>
 <b>LBI- Invoices Outstanding For Summit</b>						
27-Feb-08	8467			650.00	-	650.00
9-Sep-08	US50000182	500,000.00			41,875.00	541,875.00
9-Sep-08	US50000183	50,000.00			4,187.50	54,187.50
		<b>550,000.00</b>		<b>-</b>	<b>650.00</b>	<b>46,062.50</b>
<b>Total Outstanding</b>		<b>625,000.00</b>	<b>267,935.00</b>	<b>47,087.50</b>	<b>70,067.62</b>	<b>1,050,090.12</b>



1180 Avenue of the Americas  
4th Floor  
New York, New York 10036  
T. +1 212 549 3500  
F. +1 212 549 3500  
www.misys.com

*Invoice # IQ000537  
Ref# DQ101017*

*Lehman Brothers  
745 7th Avenue  
New York, NY 10019  
Attention: Anthony Felella*

**Terms: Due upon receipt**

**Date: 02/29/08**

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**Description:**

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Lehman-NYC IQ Addl Rel 5.4 Support

Customer requires additional continued support of Loan IQ Release 5.4

12,000.00

*Check remittances should be payable to:*

*Misys IQ LLC  
1180 Avenue of the Americas, 4th Floor  
New York, NY 10036  
Wire Transfers:  
HSBC Bank USA N.A.  
452 Fifth Avenue  
New York, NY 10018*

Invoice Sub Total	Payable in Usd Dollars		\$12,000.00
Sales Tax Amount			
* GRAND TOTAL			\$12,000.00



*Lehman Brothers Inc.*  
Attn: Stu Brown  
745 7th Avenue, 16th Floor  
New York, New York 10019

1180 Avenue of the Americas  
*Invoice # L0080300r*  
New York, New York 10036  
Terms: Upon Receipt 9500  
F. +1 212 898 9510  
www.misys.com  
Date: 5/31/08

Account # DQ101017

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**Description:**

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**Annual License Fees of USD \$315,00 for Misys Loan IQ™ Release 5.4**  
*LPO 2007-B*

Pro-rated for the period covered from January 1, 2008 to October 31, 2008

263,219

**Product: Misys Loan IQ**

**Site: NJ, NY, London, Tokyo**

**Check remittances should be payable to:**

MISYS IQ LLC  
1180 Avenue of the Americas  
New York, NY 10036

**Wire Transfers:**  
HSBC Bank USA N.A.

<b>Invoice Sub Total</b>	<b>Payable in U.S. Dollars</b>	<b>263,219</b>
NJ Sales Tax 7%		18,425
<b>* GRAND TOTAL</b>		<b>281,644</b>



## INVOICE

Lehman Brothers Inc  
745 7th Avenue, 16th Floor

Date: 6/5/2008

New York, New York 10019

Invoice No: US200000027

Ref: D1034200US

Attn: Attn: Stu Brown

Contract No: License Sch 2  
SFDC No: ON11764

TILF AM LI (Lehman Brothers) / PRJ601103

Initial License Fee for License Schedule No. 2

Due on the Schedule Effective Date

Trade Date Accounting

NET TOTAL USD 75,000.00

Sales Tax @ 7 % USD 5,250.00

**TOTAL** USD 80,250.00

Check remittances should be payable to:

Misys IQ LLC

1180 Avenue of the Americas, 4th Floor  
New York, NY 10036

Wire Transfers:

Please note that our payment terms are 15 days net

Any inquiries, please email at [NY1180-AccountsReceivableInquiry@misys.com](mailto:NY1180-AccountsReceivableInquiry@misys.com).



## INVOICE

Lehman Brothers Inc 745 7th Avenue, 16th Floor New York, New York 10019	Date: 6/30/2008
	Invoice No: US20000028
	Ref: D1034200US
Attn: Attn: Stu Brown	

Contract No:

T PS AM IQ Lehman-NY 6.0 Upgrade / PRJ600418

NET TOTAL USD 19,312.50

Sales Tax @ 0 % USD 0.00

**TOTAL** USD 19,312.50

Where appropriate, attachments have been included  
Check remittances should be payable to:

Misys IQ LLC

1180 Avenue of the Americas, 4th Floor

Wire Transfers:

Please note that our payment terms are 5 days net

Any inquiries, please email at [NY1180-AccountsReceivableInquiries@misys.com](mailto:NY1180-AccountsReceivableInquiries@misys.com)



## INVOICE

Lehman Brothers Inc  
745 7th Avenue, 16th Floor  
New York, New York 10019

Date: 6/30/2008

Invoice No: US20000044

Ref: D1034200US

Attn: Attn: Stu Brown

Contract No: Lic. Sch. 2

**T RLF AM LI: Lehman Maintenance Lic. Sch. 2 / PRJ601632**

Annual License Fees for Trade Date Accounting of USD 11,250 on License  
Schedule2

Prorated Fees for the period of June 1, 2008 through October 31, 2008

NET TOTAL USD 4,716.00

Sales Tax @ 7 % USD 330.12

**TOTAL USD 5,046.12**

Check remittances should be payable to:

Misys IQ LLC

1180 Avenue of the Americas, 4th Floor  
New York, NY 10036

Wire Transfers:

Please note that our payment terms are 30 days net  
Any inquiries, please email at NY 1180-AccountsReceivableInquiry@misys.com.



## INVOICE

Lehman Brothers Inc  
745 7th Avenue, 16th Floor  
New York, New York 10019

Date: 31-Jul-2008

Invoice No: US20000066

1180 Avenue of the Americas  
4th Floor  
New York, New York 10036  
T. +1 212 898 9500  
F. +1 212 898 9510  
www.misys.com

Attn: Attn: Stu Brown

Ref: D1034200US

Contract No:

TPS AM IQ Lehman-NY 6.0 Upgrade / PRJ600418

NET TOTAL	USD	6,000,00
Sales Tax @ 0 %	USD	0.00
<b>TOTAL</b>	<b>USD</b>	<b>6,000.00</b>

Check remittances should be payable to:

Misys IQ LLC

1180 Avenue of the Americas, 4th Floor

New York, NY 10036

Wire Transfers:

Please note that our payment terms are 30 days net

For further inquiries, please contact the account receivable team at: NY1180-AccountsReceivableInquiry@misys.com

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## INVOICE

Lehman Brothers Inc  
745 7th Avenue, 16th Floor  
New York, New York 10019

Date: 31-Jul-2008

Invoice No: US20000054

Ref: D1034200US

Attn: Attn: Stu Brown

Contract No:

T PS AM IQ Lehman-NY 6.0 Upgrade / PRJ600418

<b>NET TOTAL</b>	<b>USD</b>	9,125.00
<b>Sales Tax @ 0 %</b>	<b>USD</b>	0.00
<b>TOTAL</b>	<b>USD</b>	9,126.00

Check remittances should be payable to:

Misys IQ LLC

1180 Avenue of the Americas, 4th Floor

New York, NY 10036

Wire Transfers:

Please note that our payment terms are 30 days net

For further inquiries, please contact the account receivable team at: NY1180-AccountsReceivableInquiry@misys.com



## INVOICE

Lehman Brothers Inc  
745 7th Avenue, 16th Floor  
New York, New York 10019

Date: 30-Sep-2008

Invoice No: US20000089

Attn: Attn: Stu Brown

Ref: D1034200US

Contract No: Svcs Schedule 2

T FD AM IQ 1279 Expense Code Govenor / PRJ507452

\$20,000 due upon signing

\$20,000 due upon delivery

NET TOTAL	USD	40,000.00
Sales Tax @ %	USD	0.00
<b>TOTAL</b>	<b>USD</b>	<b>40,000.00</b>

Where appropriate, attachments have been included

Check remittances should be payable to:

Misys International Banking Systems, Inc.

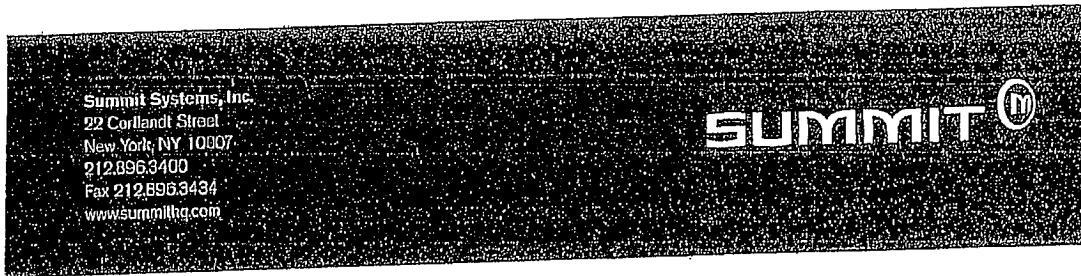
123 Main Street, 8th Floor, White Plains, NY 10601

Wire Transfers:

HSBC Bank USA N.A.

Please note that our payment terms are 15 days net

For further inquiries, please contact the account receivable team at: NY.1180-AccountsReceivableInquiry@misys.com



Hugh Evans  
Lehman Brothers  
1301 6th Avenue 2nd floor  
New York, NY 10019

**INVOICE**

Account # D1034200US

Invoice Number: 8467

Date: February 27, 2008

Terms: Payable 30 Days

Professional services rendered for January 19, 2008 - February 15,  
2008

	Amount
PS assistance with client dev of dmPL_BOOK_STATUS validation (WO5256)	\$650.00
<b>Total Amount Due</b>	<b>\$650.00</b>

Please submit all wire and check payments to SUMMIT SYSTEMS, INC.  
at the following address:

 Summit Systems, Inc. is a member of the Misys group of companies

Summit Systems Inc.  
 22 Corlandt Street  
 New York, NY 10007  
 212.896.3400  
 Fax 212.896.3434  
 www.summithq.com



## INVOICE

Lehman Brothers Inc  
 70 Hudson Street  
 10th Floor  
 Jersey City, NJ 07302

Date: 09-Sep-2008

Invoice No: US50000182

Attn: Samona Ramsaywack

Ref: D1034200US

Contract No: Amendment No. 1

TILF AM SU: Lehman Amendment No. 1 / PRJ602518

Lehman shall pay a fee amount upon execution of Amendment No. 1.

Pursuant to Section 3, 4 and 5 of the Letter Agreement with relation to the period commencing on January 1, 2005 and terminating June 30, 2008.

NET TOTAL	USD	500,000.00
Sales Tax @ 8.375 %	USD	41,875.00
<b>TOTAL</b>	USD	<b>541,875.00</b>

Where appropriate, attachments have been included

Please submit all wire and check pay

at the following address:

Please note that our payment terms are 30 days net  
 For further inquiries, please contact the account receivable team at: NY1180-AccountsReceivableInquiry@misys.com

Summit Systems Inc.  
 22 Cortlandt Street  
 New York, NY 10007  
 212.896.3400  
 Fax 212.896.3434  
 www.summithq.com



## INVOICE

Lehman Brothers Inc  
 70 Hudson Street  
 10th Floor  
 Jersey City, NJ 07302

Date: 09-Sep-2008

Invoice No: US50000183

Attn: Samona Ramsaywack

Ref: D1034200US

Contract No: Amendment No. 1

### TILF AM SU: Lehman Amendment No. 1 / PRJ602518

Quarterly installments as compensation for the right to process up to 82,500 third-party transactions annually from July 1 through June 30 using the Licensed Software under Amendment No. 1

NET TOTAL	USD	50,000.00
Sales Tax @ 8.375 %	USD	4,187.50
<b>TOTAL</b>	<b>USD</b>	<b>54,187.50</b>

Where appropriate, attachments have been included.

Please submit all wire and check payment  
 at the following address:

Please note that our payment terms are 30 days net.

For further inquiries, please contact the account receivable team at: NY180-AccountsReceivable@misys.com